

12 March 2018

## Thruvision Group plc

### Proposed cancellation of Share Premium Account and Capital Redemption Reserve

#### Introduction

Thruvision Group plc (AIM: THRU) ("**Thruvision**", the "**Company**" or, together with its subsidiary undertakings, the "**Group**") the specialist provider of people-screening technology to the global security market announces that it will today publish a shareholder circular (the "**Circular**") containing, amongst other things, a notice of general meeting (the "**General Meeting**") for the purposes of approving the cancellation of the Company's share premium account (the "**Share Premium Account**") and capital redemption reserve (the "**Capital Redemption Reserve**"), (together, the "**Cancellation**").

#### Background to and reasons for the Cancellation

On 31 October 2017, the Company announced that it had completed the sale of its video business (the "**Disposal**"). As a consequence of the Disposal, the Company now has surplus capital and intends to make a return to shareholders shortly following completion of the Cancellation. It is expected that this return of capital (the "**Return of Capital**"), the amount of which will be determined by the board in due course, will be implemented through either a tender offer or an on-market buy-back programme, or a combination of the two.

As it currently stands, however, the Company has insufficient distributable reserves on its balance sheet to be able to lawfully effect the Return of Capital under the Companies Act 2006. Accordingly, the proposed Cancellation seeks to create distributable reserves for the Company by cancelling the entire amounts standing to the credit of each of the Share Premium Account and the Capital Redemption Reserve and transferring them to the Company's profit and loss account. The realised profits thereby created would be applied to reduce the retained losses on the Company's profit and loss account to zero and to create accumulated, distributable profits of the Company.

If the Cancellation is approved by shareholders at the General Meeting, it will be subject to the scrutiny of, and confirmation by, the high court and, subject to that confirmation, the Cancellation is expected to take effect during May 2018. The General Meeting will be held at 10.00 a.m. on 28 March 2018 at the offices of Osborne Clarke LLP, One London Wall, London, EC2Y 5EB, at which the resolution to approve the Cancellation will be proposed.

**The directors of the Company consider the Cancellation to be in the best interests of the Company and its shareholders as a whole and accordingly intend to recommend unanimously that shareholders vote in favour of the resolution to be proposed at the General Meeting as they intend to do so in respect of their beneficial holdings amounting, in aggregate, to 12,827,649 ordinary shares, representing approximately 7.76 per cent. of the existing issued ordinary share capital of the Company.**

Further details of the Cancellation will be set out in the Circular, a copy of which will shortly be available on the Company's website at <http://thruvision.com>.

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#### About Thruvision

Thruvision Group plc is a specialist provider of people-screening technology that can detect weapons, explosives and contraband hidden under clothing. Developed with extensive support from the British and US Governments, Thruvision technology is operationally proven and is being used to enhance the security of transport hubs, borders, high profile buildings and public areas.

[www.thruvision.com](http://www.thruvision.com)

